UNITED
NATIONS

DP

Executive Board of
the United Nations
Development Programme
and of the United Nations
Population Fund

Distr.
GENERAL

DP/CCF/GBS/1
7 July 1997
ENGLISH
ORIGINAL: FRENCH

Third regular session 1997
15-19 September 1997, New York
Item 6 of the provisional agenda
UNDP

UNDP: COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

FIRST COUNTRY COOPERATION FRAMEWORK FOR GUINEA-BISSAU (1998-2002)

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INTRODUCTION

1. The country cooperation framework (CCF) for Guinea-Bissau for the next cycle, covering the period 1998-2002, is the result of a lengthy process of consultation between the Government and UNDP which began in June 1996, following the mid-term review. It is based on the advisory note, and is the product of discussions with the technical ministries and representatives of national non-governmental organizations (NGOs) and specialized agencies of the United Nations. A retreat conducted by a small group of members of the Government in January 1997 with the technical support of UNDP made it possible to prepare a preliminary version of the CCF which was widely disseminated within the Government, civil society and the specialized agencies in order to reach consensus on its contents.

I. DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE

2. With a population of 1,048,000 people and an area of 36,125 km^2, Guinea-Bissau is a poor country with an estimated gross domestic product (GDP) of $220 per inhabitant (1995), one of the lowest in sub-Saharan Africa.

3. Guinea-Bissau is among the 10 countries of the world whose educational system is least developed: the primary school enrolment rate for children aged 7-12 is 53 per cent. The illiteracy rate for those above the age of 15 is 73.5 per cent. These are obstacles to development.

4. In the health sphere, the indicators are low: life expectancy at birth is 43.5 years, there is one doctor per 7,158 inhabitants and child mortality for those below the age of 5 is estimated at 240 per 1,000 live births, a rate 40 per cent higher than the average for sub-Saharan countries. The resurgence of major endemic diseases such as cholera, tuberculosis and sexually transmitted diseases (STD), and the low rate of access of the population to primary health care make the health situation even more precarious.

5. The access of the population to potable water is estimated at 47 per cent in urban and 56 per cent in rural areas while, as regards sanitation, waste disposal systems are available to only 18 per cent of urban and 30 per cent of rural inhabitants.

6. The rapid growth of peri-urban neighbourhoods exceeds national capacities for the planning and development of adequate socio-economic infrastructures, leading to an imbalance between population and basic services.

7. In the political sphere, the country has opted for a representative democracy and a multi-party system. Legislative and presidential elections were held in 1994 which made possible the establishment of democratic institutions, and municipal elections will be held in 1997.

8. In the economic sphere, the choice of a market economy and private enterprise has now become irreversible; this has led to encouraging results for

the national economy in the 1994-1995 period. Indeed, the real growth rate has risen from 3 per cent in 1994 to 4 per cent in 1995.

9. On the other hand, the average rate of inflation, estimated at 15 per cent in 1994, rose to 45.4 per cent in 1995 and more than 50 per cent in 1996. This, and the sharp depreciation of the currency in recent years, are responsible for the growing impoverishment of the population.

10. Serious problems persist with respect to the environment, particularly because of the inadequacy of management strategies and policies with regard to the urban environment and natural resources, which is reflected in the poor management of fishery resources and the over-exploitation of the main natural resources (forests and land) due chiefly to the expansion of rain-fed crop cultivation, brush fires and overcutting without compensatory reforestation.

11. Women represent 51.7 per cent of the total population. Although their participation in government is not inconsiderable - 29.7 per cent of the civil service, 10 per cent of the National Assembly and 10 per cent of the ministers - efforts remain to be made in terms of access to basic health services, education, credit and employment, in short, of social equity.

II. RESULTS AND LESSONS OF PAST COOPERATION

12. Although the fourth programme did not establish performance indicators, the mid-term review and later sectoral evaluations indicate a number of achievements in the areas of concentration selected.

13. Thus, the fourth programme contributed to the organization of the first multi-party elections, paving the way for the establishment of a State governed by the rule of law, and the process of joining the West African Monetary Union (UMOA), while it will also share in financing Guinea-Bissau's integration into the West African Economic and Monetary Union (UEMOA). It also contributed to the creation and strengthening of institutional and legal capacities by refining the tools, methods and strategies for development planning and management, including the design and monitoring of the running triennial programme of public investment, establishing the 1986-1990 national accounts, implementing budget/consumption surveys, studying public expenditures and carrying out studies on the conditions necessary for administrative reform and the preparation and holding of the third round table, which made possible the resumption of dialogue with the Bretton Woods institutions. It further contributed to sectoral consultations with respect to water, sanitation, education, the environment and fisheries; to reduction of the outstanding debt and debt arrears (Paris Club and bilateral agreements); to the preparation of an overall scheme for water and sanitation, guidelines for education and the integration of women into development, the preparation of a statement on agricultural development policy, the National Sanitary Development Plan, the National Environmental Management Plan and the National Investment Code; and to the improvement of the population's living conditions through improved access to drinking water and to making feasible and distributing sanitized lots.

14. Guinea-Bissau is a country dependent on external aid. Thus, more than 90 per cent of its development activities are financed from external resources, but the national capacity to design, implement and assess development projects and programmes is weak.

15. In spite of the large volume of aid, Guinea-Bissau ranks among the poorest countries, with a GDP estimated at $220 per capita in 1996 and a human development indicator of 0.297 (Human Development Report 1996, based on 1993 data). This is due in part to the negative effects of the structural adjustment programmes on the most vulnerable sectors of the population and the weakness of the tools and strategies deployed, which is itself related to institutional weakness.

16. Administration itself is characterized by a degree of malfunction and bloating evident in the very high number of institutions and the plethora of officials, which leads to very low salary levels, lack of motivation and high turnover.

17. Cooperation with UNDP in particular is characterized by: (a) the lack of general adoption of the programme approach and national execution, owing to a lack of understanding and assimilation of these modalities; (b) an imbalance between the strengthening of institutional capacities and the creation of national capacities for better organizing the activities of the Government and UNDP in favour of the non-governmental organizations and civil society in general, and; (c) the lack of indicators for the previous programme, which has made its monitoring and assessment difficult.

III. PROPOSED STRATEGY AND THEMATIC AREAS

A. Government objectives and priorities

18. The Government's objectives and priorities are set out in the 1995-1998 Government Programme, as approved by the National Assembly, the Guidelines for Economic Policy, 1996-1998 and the document relating to the results of the National Long-Term Perspective Studies (NLTPS) exercise.

19. These objectives and priorities are directed towards: (a) consolidating the democratic process and the movement towards a government of laws; (b) consolidating the process of economic liberalization; (c) strengthening the State machinery; (d) consolidating the process of regional integration; (e) improving the living conditions of the population, particularly women, by giving priority to the social sectors in allocating development resources, and; (f) controlling pollution and preserving and regenerating the environment.

B. Strategy

20. The strategy based on the objectives and priorities set out above is intended to ensure the stability and continued growth of the economy towards sustainable development by making use of the country's assets and potential

(agriculture, which will be the cornerstone of development, forests, fisheries, stockraising, tourism) through the mechanism of a free market.

21. To carry out this strategy, the Government intends to: (a) assimilate the results of the NLTPS with a view to designing and applying an instrument for the medium- and long-term planning and management of development; (b) ensure the sustainability of development by assuming the planning, formulation, execution, monitoring and assessment of programmes and projects; (c) guarantee the creation of an environment favourable to harmonious and lasting development through the optimal use of resources; (d) establish institutional machinery capable of ensuring the mobilization and coordination of aid in order to support internal development efforts.

22. Cooperation with UNDP will be based on the following arrangements: the programme approach, national execution, the round-table mechanism and regular sectoral consultations.

23. The Government of Guinea-Bissau, pursuant to the recommendations of international conferences, in particular the World Summit for Social Development at Copenhagen, as well as the results of the NLTPS, has undertaken in its social sector programme to make poverty reduction one of its major objectives in order to achieve a level of economic growth making possible an improvement of the standard of living of the population. This goal, which coincides with one of the principal mandates of UNDP, constitutes the point of entry for the strategy of sustainable human development.

24. A second area in which the Government of Guinea-Bissau wishes to work together with UNDP is that of governance, in order to consolidate the achievements of the fledgling democracy, develop its capacities, carry out institutional and administrative reforms and strengthen capacities for economic management.

1. Basic community development and poverty reduction

25. In view of the essentially rural character of Guinea-Bissau's society, community development and poverty reduction as well as good governance will be the immediate goals in the promotion of sustainable human development. Accordingly, UNDP assistance during the next cycle should be organized around the following themes:

(a). Promotion of the idea of sustainable human development

26. The Government of Guinea-Bissau has begun the preparation of its statement on sustainable human development policy, which will set out the main lines along which specific programmes in this area should be designed.

27. The first national report on sustainable human development will be prepared in 1997 with UNDP support, in close cooperation with all the specialized agencies of the United Nations operating in the country, including the World

Bank. The results of the report will make it possible to draw up a ground plan for the formulation of poverty reduction strategy.

28. In order to better measure the results of programmes and projects, quantitative indicators will be developed during the preparation of specific programmes. They will take account of the indicators developed by UNDP in these areas of activity, the human development indicators worked out for the sustainable human development project and the joint country assessment indicators currently being worked out by the members of the United Nations system, which will make possible the use of common indicators for the entire system in Guinea-Bissau.

(b). Support of the implementation of the community development and poverty reduction programme

29. Important initiatives have already been prepared or are being prepared, such as the declaration on agricultural policy, the national environmental plan, the emergency education programme, the national health development programme, the framework plan on women and development and the water and sanitation guidelines. Others are in the process of being carried out, such as the land law, the master plan for tourism and the Investment Code, which provides incentives for investment in the least advantaged areas. All these initiatives will be taken into account, and special attention will be given to the status of women as beneficiaries of the various development projects and programmes, as well as agriculture, which will play a dynamic role in development.

30. A special effort will also be made to implement the social housing plan of action, and provide institutional support of the national machinery for the rehabilitation of land and social housing, urban and rural, enlargement of the productive base and the stimulation of income-generating activities.

31. In addition, this community development and poverty reduction programme will generate a series of subprogrammes and projects relating to various socio-economic areas dealt with by all the development partners. The Government will call on UNDP to organize internal cooperation so as to be able to better measure the impact of poverty-reduction activities in terms of agricultural debt reduction, the strengthening of the technical capacities of local communities and of national capacities for coordinating and monitoring agricultural programmes and projects, the improvement of nutrition, the reduction of maternal and child mortality and the reduction of illiteracy, particularly among women.

2. Governance

32. Guinea-Bissau has taken crucial steps in democratization, the restructuring of governmental machinery and economic reform; however, these steps must still be completed by municipal elections, and the road ahead remains long. The country's future will thus depend in large part on the consolidation of these gains. A three-part national governance programme supported by UNDP will serve as a framework to this end.

(a). Consolidation of democracy

33. The Government of Guinea-Bissau wishes to strengthen not only the capacities of each of the three government powers (legislative, executive and judicial) but the relations between them and civil society (including the private sector and the media), whose capacities will also be strengthened. This strengthening will be carried out through training activities, the revision and/or drafting of legislation adapted to the changing situation and the establishment of permanent election machinery.

34. UNDP action will be in the form of a support programme for the consolidation of democracy by means of training activities, the strengthening of institutional capacities and external resource mobilization for the organization of elections.

35. The indicators of success will relate to the various laws adopted by the National Assembly, the understanding by citizens of their rights and obligations, the holding of regular and transparent elections and actual participation by the public and private media in the development process.

(b). Institutional and administrative capacity development and reform

36. The Government has initiated a process whose first phase consisted of acquiring as much information as possible about the state of public administration. The Government wishes to be supported in implementing reforms of which the essential goals are to: (a) restructure and modernize the civil service; (b) endow public institutions with the capacities required for better management of governmental affairs; (c) strengthen the external bodies supervising the operation of governmental machinery, such as the Court of Audit, which is the highest body dealing with corruption.

37. The Government considers that UNDP could assist in coordinating all of the activities involved in the implementation of the national programme. Those activities include defining the new role of government from the point of view of "less government is better government" by: (a) strengthening the capacities of the coordinating ministries; (b) transparent management and administration of the tax system, and the elimination of corruption in public administration; (c) a wage policy in harmony with the requirements of the work; (d) training and recycling at all levels; (e) increasing the participation of government officials in training and information activities abroad (conferences, seminars, etc.).

38. The indicators of success will relate to the basis for a new governmental role from the perspective of "less government is better government", which will be reflected inter alia in better training and motivation and a greater degree of responsibility among civil service officials, and the existence and application of legislation strengthening transparency, equity and social justice in the conduct of public affairs.

(c). Strengthening of economic management capacities

39. The Government, in agreement with UNDP, has identified the priority sectors in which UNDP cooperation would be worthwhile. They are: (a) strategic management, by supporting the assimilation of the results of the NLTPS and the creation of an institutional and organizational framework for planning; (b) information management for the monitoring and treatment of all political, economic, financial and social data, so as, inter alia, to monitor indicators and thus measure progress with respect to sustainable human development; (c) the mobilization and management of technical cooperation and aid coordination including use of the round-table mechanism; (d) the training of national staff in the analysis, planning and management of economic and social programmes and policies, and (e) establishing and monitoring, in cooperation with other donors, the national Debt Management and Financial Analysis System (DMFAS), for which UNDP will act as coordinator.

40. The performance indicators will relate to the availability and use of statistical data, the design and use of an instrument which will reflect medium- and long-term strategies and policies, the establishment of a price index which will reflect real purchasing power, particularly for wage earners, the mobilization of resources in accordance with development goals and their timeliness, the real needs of the population, the country's absorptive capacity and the reduction of external debt.

IV. MANAGEMENT ARRANGEMENTS

A. Execution and implementation

41. Within the framework of existing cooperation, the Government and UNDP will jointly manage the CCF, including definition of the activities resulting from it, approval of the programmes and projects, the monitoring and review of current implementation and assessment of the results.

42. National execution has been chosen by the Government as the modality for implementation of this programme. In order to do this, it will be necessary to intensify use of this modality by carrying out training activities for Government officials and in civil society. However, the specialized agencies of the United Nations will continue to act as the cooperating agencies.

43. The mid-term review showed that difficulties exist with regard to understanding and assimilating the programme approach. Training activities dealing with the concept should promote the wider use of this modality.

44. As requested by the Government, the specialized agencies of the United Nations should continue to play a major part by providing the appropriate technical support and mobilizing the supplementary contributions needed for the implementation of the programme, i.e., extending the use of the United Nations Volunteers, reactivating the United Nations International Short-Term Advisory Resources (UNISTAR) programme in support of the private sector and the Transfer of Knowledge through Expatriate Nationals (TOKTEN) machinery to promote the return of expatriate Guinean officials, while making as much use as possible of

national and regional expertise, at both the Government level and that of civil society.

B. Monitoring and review

45. This CCF will be subject to annual review by the Government on one hand and the specialized agencies of the United Nations and the donor community on the other, in order to ensure that the goals remain current and in conformity with the country's needs, and to a mid-term review by the Government, the donors, the non-governmental organizations and other partners. Other tools will also be used, such as field visits, tripartite reviews, thematic evaluation and a final in-depth assessment.

C. Resource mobilization

46. The Government intends to make as much use as possible of UNDP experience in resource mobilization. Accordingly, in the context of the CCF, a strategy will be followed of: (i) defining the objectives of resource mobilization; (ii) specifying the tools required; (iii) indicating the content of the strategy; (iv) identifying the actors in resource mobilization, and (v) preparing a plan of action.

Annex

RESOURCE MOBILIZATION TARGET TABLE FOR GUINEA-BISSAU (1998-2002)

(In thousands of United States dollars)

Source	Amount	Comments
UNDP CORE FUNDS		
Estimated IPF carry-over		
TRAC 1.1.1	9 482	Assigned immediately to country.
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.
SPPD/STS	520	
Subtotal	10 002 a/	
NON-CORE FUNDS		
Government cost-sharing	-	
Sustainable development funds		
GEF	250	Biodiversity programme.
Third-party cost-sharing	1 000	
Funds, trust funds and other	8 250	
of which:		
UNCDF	4 000	
UNIFEM	4 000	
UNSO	250	
Subtotal	9 500	
GRAND TOTAL	19 502 a/	

a/ Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: GEF = Global Environment Facility; IPF = indicative planning figure; SPPD = support for policy and programme development; STS = support for technical services; TCDC = technical cooperation among developing countries; TRAC = target for resource assignment from the core; UNCDF = United Nations Capital Development Fund; UNIFEM = United Nations Development Fund for Women; and UNSO = Office to Combat Desertification and Drought.